



# Indiana Department of Education

Dr. Katie Jenner, Secretary of Education

**To:** Superintendents, School Business Officials, Federal Program Administrators

**From:** Cole Dietrich, Director of Title Grants and Support

**Date:** August 10, 2021

**Subject:** Micro-purchase Threshold Update

For all federal awards received after November 2020, Districts may now utilize additional flexibilities in determining a local micro-purchase threshold provided the LEA meets self-certification requirements.

Procurement by micro-purchase is the acquisition of supplies or services, which does not exceed \$10,000. 2 C.F.R. 200.320(a)(1). To the extent practicable, the District must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive price or rate quotations if the District “considers the price to be reasonable based on research, experience, purchase history or other information and documents it files accordingly.” 2 CFR 200.320(a)(1)(ii).

The procurement procedures for the District should outline what documentation is maintained regarding determining reasonableness for micro-purchases. For example, the District may determine a price is reasonable based on prior experience with similar purchases.

**A District may increase its micro-purchase threshold up to \$50,000 through yearly self-certification; documentation may be kept locally.** If a district chooses to self-certify a higher micro-purchase threshold up to \$50,000, the self-certification must include:

- Written justification for the micro-purchase threshold request up to \$50,000;
- Clear identification of the threshold; and
- Supporting documentation of either of the following:
  - A qualification as a low-risk auditee for the most recent audit under 2 CFR 200.520; or
  - An annual internal institutional risk assessment to identify, mitigate, and manage financial risk.

**If a District wishes to increase its micro-purchase threshold above \$50,000 it must receive prior written approval from IDOE [2 C.F.R. 200.320(a)(1)(v)].** To do so, it must submit a written request with the self-certification requirements listed above, including a justification for the threshold over \$50,000 [2 C.F.R. 200.320(a)(1)(v)]. Such requests for thresholds over \$50,000 should be sent to your assigned federal grant specialist for review and approval.

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